

WORKFORCE OBSERVATIONS FOR NORTHWEST WISCONSIN COUNTIES

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State of Wisconsin
Department of Workforce Development

Unemployment increases reflect seasonal trends

Just as news nationally heralds an improving economy the unemployment rate jolts everyone back into the reality that workers continue to be affected by layoffs. Unfortunately, this will continue even after the recession is officially declared over. The reason is that businesses don't immediately recall or hire workers when the economy improves. It takes months before unemployment rates begin to decline.

In the counties of Northwest Wisconsin the January unemployment rate includes both workers laid off due to the recession and the hundreds of workers laid off as a result of normal seasonal trends in the region.

The unemployment rate in Northwest Wisconsin rose to 8.5 percent in January. That was higher than the December rate of 6.3 percent and the 8.2 percent rate of last January. In fact it is the highest January unemployment rate in the area since 1994.

Most of the counties in the state posted higher unemployment rates. Of the state's 72 counties, 58 had higher unemployment rates this January compared with one year earlier. The state seasonally adjusted unemployment rate of 5.1 percent is the highest rate since 1994 and the national unemployment rate of 5.6 percent is the highest January rate since 1996 (although the national unemployment rate is down from the December rate of 5.8 percent).

The number of unemployed in the northwest region rose by 2,100 residents from December to January, slightly more than the average increase (1,990). Currently, there are 7,840 individuals unemployed in the ten county region out of a total labor force of 92,700. One year ago there were 7,400 unemployed.

Remarkably, four northwest counties were among only 14 statewide that reported January unemployment rates lower than one year ago. In Bayfield County, the current unemployment rate of 9.2 percent is lower than the January 2001 rate of 9.5 percent. Sawyer County's current rate of 7.9 percent is also lower than 8.4 percent of last January.

The unemployment rates in Price and Rusk counties showed the largest 12-month reductions in the state. In Price the rate dropped from 7.9 to 6.9 percent and in Rusk it declined from 11.3 to 9.4 percent.

In comparison, only one county in the state reported a reduction in unemployment rate from December. For 71 counties, unemployment increased from December to January, which is very typical for the month. Traditionally, workers are laid off prior to the holidays and many do not return to work until March. This is especially true of construction, retail trade and service industry workers.

Half the counties in the state had January unemployment rates higher than 7.1 percent. In the northwest region that included Ashland (11.2%), Washburn (9.7%), Rusk (9.4%), Bayfield (9.2%), Taylor (8.6%), Burnett (8.5%), Iron (8.4%), Sawyer (7.9%), and Douglas (7.2%). Only Price County, with a 6.9 percent unemployment rate was included in the lower half.

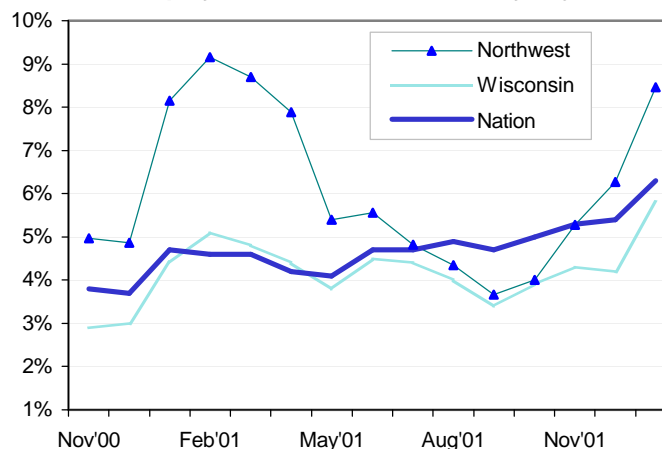
The northwest counties are familiar with high unemployment rates during the winter months. Because of the winter weather many workers typically are laid off. This year the

atypical weather has also caused layoffs and some of that is reflected in the loss of retail trade and service jobs in January. Service industry employment declined by 700 jobs from December to January, the largest loss posted from the major industry divisions. In a more typical year the number of service jobs increases in January. However, not all of the job loss in services is attributed to the warmer weather and lack of snow. Several service industries, such as tele-marketing and temporary help businesses, rely on a good manufacturing climate for their business. In

January, employers in these service industries had to reduce their payrolls.

The reduction by services industry employers plus the loss of 600 manufacturing jobs, 560 construction jobs, over 400 retail trade jobs, and 400 government jobs, contributed to the total loss of 3,130 jobs in January in the northwest

Unemployment Rates-Not seasonally adjusted



	Nov'00	Dec'00	Jan'01	Nov'01	Dec'01	Jan'02
Northwest	5.0%	4.9%	8.2%	5.3%	6.3%	8.5%
Wisconsin	2.9%	3.0%	4.4%	4.3%	4.2%	5.8%
Nation	3.8%	3.7%	4.7%	5.3%	5.4%	6.3%

region. Each of the ten counties reported fewer jobs in January. When compared with last January, however, all industry divisions except manufacturing and services show an increase in the number of jobs and six of the ten counties have more jobs.

There is no doubt that unemployment rates will continue to climb before spring finally returns to the area. The highest unemployment rates of the year generally occur in February or March. By April and May, rates should begin to tumble and employers will again face a spring where labor, especially summer workers, is in short supply.

Estimates in this table include revisions from the March 2001 benchmark. All previously released labor force and industry estimates for 2001 are out-dated.

January 2002 Estimates	Wisconsin	Ashland	Bayfield	Burnett	Douglas	Iron	Price	Rusk	Sawyer	Taylor	Washburn
Civilian Labor Force*	3,031,900	8,000	7,500	7,200	23,200	3,700	6,900	7,300	10,000	10,900	8,000
Employed	2,855,200	7,100	6,800	6,500	21,500	3,400	6,400	6,600	9,200	9,900	7,200
Unemployed	176,600	900	700	600	1,700	300	500	700	800	900	800
Unemployment rate(%)	5.8%	11.2%	9.2%	8.5%	7.2%	8.4%	6.9%	9.4%	7.9%	8.6%	9.7%
Total jobs, all industries'	2,759,170	8,270	3,750	4,440	17,620	2,530	6,310	5,980	6,640	8,830	5,770
Construction & Mining	108,070	240	200	190	810	250	170	160	300	250	180
Manufacturing	567,670	1,680	210	1,040	1,250	460	2,520	2,230	740	3,090	1,110
Transportation & Pbl.Util.	131,500	270	210	150	2,450	60	130	220	180	530	220
Wholesale Trade	135,100	160	40	20	1,090	60	130	140	130	470	160
Retail Trade	490,680	1,500	630	910	3,730	580	1,030	750	1,550	1,450	1,250
Finance,Ins,Real Estate	150,430	330	140	110	500	50	210	130	300	370	200
Services	761,100	2,340	850	690	4,710	600	1,140	960	1,520	1,640	1,250
Government	414,630	1,750	1,490	1,320	3,080	470	980	1,400	1,940	1,040	1,400
Change from previous month											
Civilian Labor Force*	50,800	200	0	-100	200	200	100	200	100	400	0
Employed	6,100	-100	-100	-400	-300	100	-100	0	-100	100	-300
Unemployed	44,600	300	100	100	500	100	200	200	200	200	200
Unemployment rate(%)	1.4%	3.8%	1.7%	2.1%	2.1%	1.7%	1.8%	2.3%	1.6%	2.1%	2.7%
Total jobs, all industries'	-76,820	-360	-110	-360	-1,270	0	-200	-130	-210	-140	-360
Construction & Mining	-11,710	-70	-30	-30	-160	-30	-30	-30	-50	-60	-70
Manufacturing	-7,240	-80	0	-30	-40	-20	-120	-90	-90	-20	-120
Transportation & Pbl.Util.	-2,540	-10	-20	0	-130	0	0	-10	0	-10	-30
Wholesale Trade	-1,380	-20	-10	-10	-80	0	0	10	0	-10	0
Retail Trade	-27,730	-80	-20	-60	-150	0	20	-10	-70	-50	-40
Finance,Ins,Real Estate	-770	-30	-10	0	-10	0	0	0	-10	0	-20
Services	-15,500	-130	-40	-170	-460	70	-20	10	0	50	-30
Government	-9,950	50	30	-70	-230	-20	-50	-20	10	-40	-50
Change from one year ago											
Civilian Labor Force*	96,300	300	100	200	400	300	0	100	600	500	100
Employed	60,100	100	100	0	100	200	100	200	600	300	0
Unemployed	36,000	100	0	100	300	0	0	-100	0	100	100
Unemployment rate(%)	1.0%	1.4%	-0.4%	1.4%	0.9%	0.6%	-1.0%	-1.9%	-0.6%	0.7%	0.5%
Total jobs, all industries'	-13,450	-230	270	-80	20	110	-50	80	340	60	-80
Construction & Mining	-2,160	-10	30	20	40	20	20	0	40	40	20
Manufacturing	-33,450	-60	0	0	-140	10	-50	-40	-10	-110	-110
Transportation & Pbl.Util.	-580	0	10	0	290	0	0	0	10	50	-20
Wholesale Trade	-840	-10	0	-10	30	-10	-20	10	0	0	10
Retail Trade	-690	20	20	30	100	10	40	0	60	20	0
Finance,Ins,Real Estate	2,620	20	0	10	-10	0	0	0	10	10	-10
Services	9,370	-60	30	-120	-260	10	0	60	130	110	40
Government	12,280	-130	190	-10	-20	60	-40	40	110	-60	-20

* Includes participants residing in area. ** Includes employment with employers located in area. Estimates are NOT seasonally adjusted. Current month estimates are preliminary. Totals may not add due to rounding. Calculations based on unrounded numbers.

Look for the most current Labor Market Information at: WWW.DWD.STATE.WI.US/LMI

Direct questions and comments to: **Beverly Gehrke, Labor Market Analyst**
 Hayward Job Center, 15618 US Hw 63, Suite 108, Hayward, Wisconsin 54843
 715-634-5289 715-634-6094(FAX) e-mail: gehrkb@dwd.state.wi.us